

UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF PUERTO RICO

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<i>In re</i>	:
	:
THE FINANCIAL OVERSIGHT AND	: PROMESA
MANAGEMENT BOARD FOR PUERTO RICO,	: Title III
	:
as representative of	: Case No. 17-04780-LTS
	:
PUERTO RICO ELECTRIC POWER	: (Jointly Administered)
AUTHORITY (PREPA),*	:
	: Court Filing Relates Only to PREPA
Debtor.	:
	:
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CORTLAND CAPITAL MARKET SERVICES	:
LLC, as successor administrative agent for lenders	:
under that certain Credit Agreement, dated as of	: PROMESA
May 4, 2012, among PREPA, Scotiabank, and the	: Title III
lenders party thereto, and SOLA LTD, SOLUS	:
OPPORTUNITIES FUND 5 LP, ULTRA	:
MASTER LTD, and ULTRA NB LLC,	: Adversary Proc. No. 19-00396-LTS
	:
Plaintiffs,	:
v.	:
	:
THE FINANCIAL OVERSIGHT AND	:
MANAGEMENT BOARD OF PUERTO RICO,	:
PUERTO RICO ELECTRIC POWER	:
AUTHORITY (PREPA), PUERTO RICO FISCAL	:
AGENCY AND FINANCIAL ADVISORY	:
AUTHORITY (AAFAF), U.S. BASNK	:
NATIONAL ASSOCIATION, as successor Trustee	:
under the trust agreement, as amended and	:
supplemented, ASSURED GUARANTY CORP.,	:
ASSURED GUARANTY MUNICIPAL CORP.,	:
NATIONAL PUBLIC FINANCE GUARANTEE	:
CORPORATION, SYNCORA GUARANTEE	:
INC. and AD HOC GROUP OF PREPA	:
BONDHOLDERS,	:
	:
Defendants.	:
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**FUEL LINE LENDERS' LIMITED REPLY REGARDING
URGENT UNOPPOSED MOTIONS OF GOVERNMENT PARTIES TO VACATE
HEARING DATE AND FOR EXTENSION OF CERTAIN DEADLINES**

* The Debtors in these Title III cases, along with each Debtor's respective Title III case number listed as a bankruptcy case number and the last four (4) digits of each Debtor's federal tax identification number, as applicable, are the (i) Commonwealth of Puerto Rico (Bankruptcy Case No. 17 BK 3283-LTS) (Last Four Digits of Federal Tax ID: 3481); (ii) Puerto Rico Sales Tax Financing Corporation ("COFINA") (Bankruptcy Case No. 17 BK 3284-LTS) (Last Four Digits of Federal Tax ID: 8474); (iii) Puerto Rico Highways and Transportation Authority ("HTA") (Bankruptcy Case No. 17 BK 3567-LTS) (Last Four Digits of Federal Tax ID: 3808); (iv) Employees Retirement System of the Government of the Commonwealth of Puerto Rico ("ERS") (Bankruptcy Case No. 17 BK 3566-LTS) (Last Four Digits of Federal Tax ID: 9686); (v) Puerto Rico Electric Power Authority ("PREPA") (Bankruptcy Case No. 17 BK 4780-LTS) (Last Four Digits of Federal Tax ID: 3747); and (vi) Puerto Rico Public Buildings Authority ("PBA") (Bankruptcy Case No. 19 BK 5523-LTS) (Last Four Digits of Federal Tax ID: 3801).

The Fuel Line Lenders¹ respectfully submit this limited reply with respect to the *Urgent Unopposed Motion of Government Parties For Eighth Revised Order Extending and Establishing Certain Deadlines Applicable to the Joint Motion of Puerto Rico Electric Power Authority and AAFAF Pursuant to Bankruptcy Code Sections 362, 502, 922, and 928, and Bankruptcy Rules 3012(a)(1) and 9019 for Order Approving Settlements Embodied in the Restructuring Support Agreement* [Dkt. No. 1824] and the *Urgent Unopposed Motion of the Financial Oversight and Management Board to Vacate Hearing Date and For an Extension of Reply Deadlines in Connection with Motions to Dismiss Plaintiffs' Amended Complaint* [Dkt No. 65 in Adv. Pro. No. 19-AP-396-LTS] (together, the “Urgent Motions”).²

1. The Fuel Line Lenders do not object to the relief sought in the Urgent Motions, and believe the Government Parties should be permitted to adjourn the January 14 hearing. This limited reply addresses discrete matters that have arisen since the Urgent Motions were filed, including issues raised by Assured Guaranty Corp., Assured Guaranty Municipal Corp. and National Public Finance Guarantee Corp. (together, “Assured and National”) in their limited objections to the Urgent Motions. Other than Assured and National, no creditors of PREPA — including other bondholders — have objected to the relief sought.

2. *First*, while the Fuel Line Lenders do not object to the proposed adjournments, in the event the January 14 hearing is not adjourned, the deadlines for reply filings should not be changed. Rather, in that circumstance, in order to provide the Court and parties with a

¹ The Fuel Line Lenders are Cortland Capital Market Services LLC (“Cortland”), as successor administrative agent under a Credit Agreement, dated May 4, 2012, among PREPA, Scotiabank de Puerto Rico and certain lenders (the “Scotiabank Credit Agreement”), and SOLA LTD, Solus Opportunities Fund 5 LP, Ultra Master LTD, and Ultra NB LLC (collectively, “Solus”), as lenders under the Scotiabank Credit Agreement and under a Trade Finance Facility Agreement, dated July 20, 2012, between PREPA and Citibank, N.A.

² Capitalized terms have the same meanings as in the Urgent Motions.

reasonable opportunity to prepare for the hearing, reply papers should be filed by the current deadlines (December 18 for the 9019 Motion and December 23 for the adversary proceedings).

3. *Second*, assuming the Urgent Motions are granted, the schedule will need to be adjusted to account for Judge Dein's order, entered yesterday, which authorized the Fuel Line Lenders and others to file sur-replies by a deadline of January 6, 2020. [Dkt. No. 1826.] As set forth in the Urgent Motions, should the 9019 Hearing be adjourned, the relevant parties have agreed that the deadline for reply submissions will be set for January 10, 2020, and in any event no later than 40 days prior to the 9019 Hearing. As part of an amended schedule, the deadline for sur-replies will need to be adjusted. The Fuel Line Lenders intend to work cooperatively with the Government Parties to propose a new and reasonable deadline for sur-replies (along with other pre-hearing deadlines).

4. *Third*, Assured and National have requested that, if the Court adjourns the 9019 Hearing, the hearing on the 9019 Motion and the hearing on the motions to dismiss the adversary proceedings should be adjourned to the same date, consistent with the current schedule. In the interests of efficiency and judicial economy, the Fuel Line Lenders do not object at this time to the hearings being rescheduled for the same date, while reserving all rights in the event there are adjournments or delays beyond the currently proposed adjournment.

Dated: December 17, 2019

Respectfully submitted,

/s/ Nayuan Zouairabani

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